

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 647 - SB 1042**

March 29, 2021

**SUMMARY OF BILL:** Requires students in grade 11 who intend to attend a college or university to take a separate assessment than students in grade 11 who intend to attend a career or technical college or pursue a career path. Requires a school counselor to meet with each student in grade 10 to determine the student's postsecondary interests.

**ESTIMATED FISCAL IMPACT:**

**Increase Local Expenditures – \$485,100/FY21-22 and Subsequent Years\***

Assumptions:

- Tennessee Code Annotated § 49-6-6001 requires all students in the 11<sup>th</sup> grade to take an examination to measure postsecondary readiness; the proposed legislation will require students to take a different examination if they plan on attending a career and technical school or want to pursue a career path.
- The Basic Education Program (BEP) formula includes funding for all 11th grade students to participate in the ACT.
- It is assumed that ACT WorkKeys® exam will be used for the career readiness assessment.
- According to the Department of Education (DOE):
  - The DOE contract with ACT, Inc. is for ACT exams and does not include ACT WorkKeys® exams;
  - Some schools currently offer the ACT WorkKeys® exam, however they are not reimbursed for the costs of the exam if they choose to provide it; and
  - The ACT exam costs \$37 and the ACT WorkKeys® exam costs \$33.
- It is assumed local governments will be responsible for costs associated with purchasing ACT WorkKeys® exams.
- It is assumed there will be at least 100 students within each of the 147 local education agencies who will elect to take the ACT WorkKeys® exam, for a total of 14,700 (100 x 147) exams statewide, annually.
- The proposed language will result in a mandatory recurring increase in local government expenditures exceeding \$485,100 (\$33 per exam x 14,700 exams) annually.
- Based on information provided by DOE; the overall number of students taking the traditional ACT will not change as currently the ACT or SAT is a State Board of Education requirement for graduation.

- School counselors will be required to meet with each student in grade 10 to determine the student's postsecondary interests and advise them on which assessment to take; it is assumed that this can be accomplished within existing resources.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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